



BAYFIELD COUNTY FORESTRY AND PARKS DEPARTMENT



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Timber Purchasers:

Bayfield County is offering 30 timber sales on 2,469 acres containing an estimated 46,078 cords of pulpwood and 1,327 Mbf of saw timber. A total of 28 timber sales, containing an estimated 146,038 tons of pulpwood, have the potential to be purchased by the ton.

All timber sales included as part of this offering are certified to the standards of the Forest Stewardship Council® (FSC® C006090) FSC 100% and the Sustainable Forestry Initiative® SFI-01617 SFI 100%. As part of the forest certification process, the Purchaser is responsible for maintaining any or all Chain-Of-Custody certification(s) that may be required by each certifying organization, pertaining to the harvesting, processing and transporting of forest products from this sale.

Prior to bidding, purchasers must request bid forms, sale maps, and contract specifications, for each sale of interest, from the Bayfield County Forestry and Parks Department. Information can be obtained by calling our office or visiting our website. All timber sale maps and bid sheets can be downloaded from the Forestry and Parks Department web page:

<http://www.bayfieldcounty.org/344/Timber-Sales>

NOTICE – Special Bidding Process: Due to the continued concerns regarding COVID-19, the bid opening process will be virtually identical to the spring offering. Below is a summary of the changes:

1. **All sealed bids will be due by noon (12:00 p.m.) on Monday, November 9, 2020.**
2. If hand delivering bids, all envelopes must be deposited in the drop box located outside the courthouse entry door (near the Tourism and Administrator's office). Or delivered to the Forestry and Parks Department during office hours (8:00 a.m. to 4:30 p.m.). Please include your name and the timber sale tract number on each envelope.
3. All sealed bids will be opened in the Forestry and Parks Office shortly after noon on Monday, November 9, 2020. It is anticipated that the opening will occur around 12:30 p.m. on the November 9th.
 - a. Due to concerns regarding COVID-19, this bid opening will not be open to the public. Forestry and Parks Department staff will open, record and summarize all bids received during this time.
4. After all bids have been opened and recorded, Department staff will summarize the results of each timber sale. A record of each bid per timber sale will be listed, as per normal, and a preliminary high bidder will be determined, per timber sale, also as per normal.
5. The Forestry and Parks Committee will meet at 6:00 p.m. on November 9, 2020.
 - a. During the meeting, the bidding summary and preliminary results will be presented to the Committee. The Committee will act on the results, as per normal.

6. **NOTE 1: Bid Deposits.** Normally, a 10% bid deposit is required with each timber sale bid. However, for this offering, a 10% bid deposit is **NOT** required.
 - a. If you are the winning bidder, the 15% performance bond is still required within 30 days, as per normal.
7. **NOTE 2: Bid Retraction.** If you are submitting multiple bids and may need to retract one or many, please include instructions with your bids. Prior to the opening of bids for each timber sale, we can pull bids based on your instructions, as per normal.
8. **NOTE 3:** as a response to current market conditions, adjustments have been made to many of these timber sales, including:
 - a. Three-year contracts and lower minimum pricing on all sales with a significant amount of oak, mixed hardwood and/or pine pulp, as well as those with extensive frozen ground requirements;
 - b. In general, lower minimum pricing on most species and products across all timber sales;
 - c. Less restrictive balsam fir harvest and/or utilization requirements (balsam volume has been removed from many timber sales);
 - d. Potential modifications to the minimum top utilization requirements for pulpwood (from 4" to 5"), contingent upon persistently poor market conditions.

Every attempt will be made to provide official bid results in a timely manner. Unofficial bid results will be posted on our website within 24 hours of the opening. Any errors found during the bidding process may delay posting. Official results will be posted as soon as possible. Please allow us 24 hours to review and summarize all bids before calling to request results.

Bidding

For a bid to be considered it must:

- Include the completed bid form and bid deposit in an envelope clearly marked "**Timber Sale Bid, Tract #_____**" for each sale bid. Also, please include your name on the envelopes.
- Contain bid prices that are equal to or greater than each minimum bid price per species and per product listed on the bid form. Failure to do so will result in a rejected bid.
- As previously stated, a 10% bid deposit will not be required as part of this offering.

No bids will be accepted from a contractor who is delinquent in their financial obligations with Bayfield County or the State of Wisconsin or is in non-compliance with any timber sale contract with Bayfield County or the State of Wisconsin.

- If there are sawlog volumes on the sale, the bid for those logs must be made price/thousand board feet, unless other arrangements are made with this department.
- If a purchaser would like to have their bid considered on a whole tree basis on a sale where whole tree volumes have not been advertised, they must contact this department prior to placing the bid. If Bayfield County will allow whole tree harvesting on the sale, then this department will supply whole tree volumes upon which the bid will be based.
- Due to variations in harvesting techniques, utilization, scaling practices and end uses of the product, volumes listed are not guaranteed. The purchase price must be based on the purchaser's observation of the sale. Bayfield County encourages professional training for logging contractors.
- A purchaser may also inquire about bidding based on utilizing to a 2" top. These volumes have not been advertised and are not available on all sales. On appropriate sales and upon request, a purchaser will be provided a bid sheet that reflects 2" volumes.
- The Forestry and Parks Committee reserves the right to reject any and all bids and to accept the

bid deemed most advantageous to Bayfield County, as well as to withdraw any sale prior to the bid opening.

Winning Bidders

Successful bidders will be required to:

- Provide a performance bond equal to \$500.00 or 15% of the value of the contract, whichever is greater, within 30 days of the awarding of the contract or before work on the timber sale begins, whichever comes first. If using an irrevocable letter of credit or bond to satisfy the performance requirement, the document must be written to expire at least 30 days after the expiration of the timber sale contract.
 - The successful bidder may use an irrevocable letter of credit to meet the performance bond requirement.
- Carry workers compensation insurance and liability insurance for the duration of the contract in such amounts as are acceptable to Bayfield County.
- Make stumpage payments and supply additional money for the down payments according to the following schedule (which is based on the value of the contract):
 - Less than \$1,000.00, 100% payment required within 30 days of awarding of the contract.
 - \$1,000.01 to \$5,000.00, 50% payment required within 30 days of the awarding of the contract, and 50% prior to harvesting the second half of the timber sale.
 - \$5,000.01 to \$10,000.00, 25% payment required within 30 days of the awarding of the contract and 25% payments prior to harvesting each quarter of the sale.
 - \$10,000.01 and greater, 25% before harvesting each unit.
- An irrevocable letter of credit may be used to secure stumpage payment. The letter of credit does not replace punctual payment, but acts as security until the contractor receives compensation for the product. Failure to make prompt payments will result in drawing upon the letter of credit and a breach of contract.
- Provide the required performance bond, proof of insurance coverage and a certificate showing that an in the woods person meets the Wisconsin SFI training standard, within thirty (30) days of the awarding of the timber sale or the down payment that accompanied the sealed bid may be considered forfeit. When these are in place the purchaser must then sign Bayfield Counties' standard timber sale contract (which is available for review from this department).

Contract Expiration

Standard timber sale contracts will expire on **May 31, 2023** (unless otherwise noted on bid sheet). Three-year timber sale contracts will expire on **May 31, 2024** (unless otherwise noted on the bid sheet).

Due to a rapidly changing biomass market Bayfield County may agree to amend existing contracts modifying utilization requirements and prices accordingly.

A summary of the timber sale offering can be obtained from the website or by contacting our office.

Other Notes

Since 2010, Bayfield County has worked closely with Towns (that contain County Forest land) to improve roads that provide access to the County Forest. Through 2013, the County annually designated 1% of net timber sale revenues towards improving Town roads. These funds were matched by the Towns

and provided much needed improvements on roads that directly access County Forest timber sales.

From 2014 through 2019, Bayfield County increased the funding level to 2% of net timber sale receipts. As a result, roughly \$80,000 was available, each year, for Town Road improvements. The program has proven to be extremely successful and is helping to fund much needed improvements on many critical Town roads.

Starting in 2020, Bayfield County increased this funding level to \$90,000. Towns will be required to provide at least a match to these funds. Bayfield County has worked closely with each Town to identify problem areas or road segments that need attention. The goal is to improve accessibility to the County Forest, with a focus on roads or haul routes that directly service current and future timber sales. To date, nearly \$700,000 has been allocated directly to Town road improvement projects since 2010.

In 2018, oak wilt was discovered in Bayfield County (in the Towns of Cable and Barnes). Because the recent find is located about 6 miles away from our Cable block of the county forest, all county timber sales located in that area (that contain an appreciable amount of red oak) will contain an April 15 through July 15 no harvest restriction. In addition, many sales in this offering contain similar no harvest restrictions, that will be adopted if oak wilt is discovered within a 6 mile radius of the sale area. This is the time of the year when one of the primary vectors for overland spread of the disease (a sap feeding beetle) is most active. Oak trees that are freshly wounded or harvested during this time period are at a significantly higher risk of infection. Once a tree contracts the disease, adjacent trees can become infected via belowground spread through root grafting. For more information on the disease, including ways to help protect trees from oak wilt, please visit the DNR website at:
<http://dnr.wi.gov/topic/ForestHealth/OakWilt.html>